

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TEXAS
WACO DIVISION

SECURITIES AND EXCHANGE COMMISSION, §
§
V. § Case No. 6:23-cv-00321
§
ROY W. HILL, et al. §

ORDER APPROVING LIQUIDATION AND INTERIM DISTRIBUTION

BEFORE the Court is the Receiver's motion seeking instructions concerning whether to liquidate CETA equipment and effect an interim distribution (Doc. 75), and the Court, provides instructions as follows:

- (1) With regard to claim procedures, the Receiver shall:
 - (a) Determine investor claims based upon a net cash loss methodology;
 - (b) Determine vendor claims based upon the amounts due under the open invoices without regard to interest or other additions;
 - (c) To the extent contact information is available, provide notices to each claimant of the approved amount and advise disputed claimants of a thirty-day opportunity to object to any adverse claim determination;
 - (d) Additionally, file and publish on the Receiver's website a claims ledger at least quarterly showing the status of all claims and the determinations made; and
 - (e) Tender any claim objections that cannot be resolved by agreement to the Court for determination.
- (2) Prior to making an interim distribution, the Receiver shall execute steps (a) through (d) and confirm that a reserve of one-third of the CETA funds is sufficient to address any disputed claims.

- (3) Subject to the foregoing, the Receiver shall make an interim distribution as soon as practicable of two-thirds of the aggregate value of the CETA cash and/or securities to approved claimants pro rata based upon their respective approved claim amounts relative to the entire body of approved and disputed claim amounts.
- (4) The Receiver shall not be required to further demonstrate or evaluate the CETA technology.
- (5) The Receiver may market the equipment consistent with the evaluation of the expert the Receiver retained.
- (6) The Receiver may abandon the patents and trademarks.

SO ORDERED this _____ day of _____, 2025

HONORABLE ALAN ALBRIGHT
UNITED STATES DISTRICT JUDGE